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Cap. 2

FOOD PRICE REVIEW

A summary of the food outlook especially designed to give maximum advance information to food editors to help them plan food features.

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U.S. Department of Agriculture
Agricultural Marketing Service

MAY 25 1962

April 24, 1962
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CURRENT SERIAL RECORDS

MEAT:

Beef.....Last year at this time, cattle slaughter and beef production rose sharply because of heavy marketings of non-fed cattle as well as large marketings out of feedlots. This year it appears that marketing out of feedlots during the first quarter has been proceeding in line with the January 1 report of marketing intentions. Thus, a recurrence of a second quarter build-up in slaughter is not expected this year.

Pork.....Prices are expected to hold steady from mid-March levels and then start a seasonal rise in late May. During this period they will be somewhat below year-earlier prices.

Lamb.....Slaughter during the second quarter of this year is expected to be considerably below last year when liquidation of lambs from the stock-sheep inventory resulted in an abnormally high rate of slaughter.

POULTRY:

Broiler-.....Recent hatchery activity suggests that per capita marketings in April-June this year may be about 5 percent smaller than the 1961 volume. As a result, broiler prices are not likely to decline as drastically in the second quarter as they did in the same period last year.

Turkeys.....Consumption is likely to exceed production by a wider margin in the first half of 1962 than in the same period last year. In the first quarter, lower prices encouraged a much greater use of turkey; in the second quarter a substantial reduction is expected in marketings from a year ago. The reduced level of hatchery activity through mid-April indicated that farmers will raise substantially fewer turkeys this year than last. This should mean prices relatively higher than the extremely low 18.2 cents per pound average during September-December 1961.

Eggs.....Higher production and somewhat weaker storage demand in the second quarter are likely to keep egg prices below those of the second quarter of 1961.

DAIRY.....Milk production in the first 3 months of 1962 was running at an annual rate of slightly under 128 billion pounds. Lower milk-feed and milk-beef ratios as a result of the drop in support price may slow down the rate of increase over 1961. Cash receipts from farm marketing of milk reached \$4.9 billion dollars in 1961. Lower price in the last 9

months of 1962 are likely to result in lower cash receipts in 1962. Retail prices of butter and cheese were slightly lower than year-earlier levels in January and February, but will reflect the new support price levels for the rest of the year.

VEGETABLES:

Fresh.....April 1 forecasts placed spring vegetable production 19 percent below last year. Crops included in these forecasts usually account for three-fourths of the total spring production excluding melons. Crops with substantially lower production are spring cabbage, celery, cucumbers, eggplant, lettuce, green peas and green peppers. Increased production of sweet corn, beets and carrots is expected.

Processed.....Prospective planted acreage of 7 principal crops for processing this year totals 1,517,770 acres. This is 1 percent more than last year's 1,508,740 acres and slightly more than average. The increase is wholly the result of a 9 percent increase expected in tomato plantings. Prospects for these crops indicate declines from 1961: green lima beans, contract cabbage for kraut, winter spinach, green peas, snap beans and sweet corn. Holdings of frozen stocks slipped below the billion mark for the first time since the end of July 1961, and on March 31 were 976 million pounds. This is 18 percent larger than last year and 45 percent above average for the date.

FRUIT:

Oranges.....The 1961-62 crop is estimated at nearly 127 million boxes, 9 percent larger than last year and 2 percent above average.

Grapefruit.....Production is forecast at 41.7 million boxes, down 4 percent from last year and 3 percent below average.

Peaches.....As of April 1, prospects in the Southern States were not as good as a year ago although above average.

Frozen.....As of April 1, stocks reduced by 53 million pounds during March, totaled 388 million pounds. The previous record high for the date was the 362 million pounds stored on April 1, 1958.

The Plentiful Foods Program

The Agricultural Marketing Service of the U.S. Department of Agriculture, through its Plentiful Foods Program, is cooperating in these food campaigns:

CEREAL AND MILK SPRING FESTIVAL.....April 1 - 30

NATIONAL FROZEN FOOD WEEK.....May 12 - 19

JUNE IS DAIRY MONTH.....June 1 - 30